

Census and Economic Information Center

Montana Department of Commerce

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MONTANA

Management of Companies and Enterprises, 2002 Economic Census, Geographic Area Series

http://ceic.mt.gov/EconCen.htm

In the United States, nearly 50,000 establishments perform high-level decision-making and strategic planning for a company or enterprise. These entities are typically called centralized administrative offices, corporate offices, regional offices or holding companies. By consolidating the performance of these activities of the enterprise at one establishment, economies of scale are achieved.

In Montana, this relatively small sector grew by 19 establishments, up from 85 in 1997. The more than 1,500 employees earned \$68 million in payroll, an increase of 11% from 1997 to 2002. More striking is the rise in revenue for these establishments. In 1997, total receipts were slightly less than \$17 million. By 2002, sales were over \$50 million, an increase of 200%. This follows the national trend, where receipts increased from \$30 billion to \$107 billion, an enormous 257% increase.

Employment in this sector rose 4.6% in the nation, from 2.5 million to 2.6 million. However, Montana realized a 4.8% decline. In 2002, 1,546 workers were employed in this sector, compared to 1,624 in 1997.

The Management of Companies and Enterprises sector (sector 55) comprises (1) establishments that hold the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing management decisions, and (2) establishments (except government establishments) that administer, oversee, and manage establishments of the company or enterprise and that normally overtake the strategic or organizational planning and decision making role of the company or enterprise. Data for this sector are published only at the state level.

Government establishments primarily engaged in administering, overseeing, and managing governmental programs are classified in Sector 92, Public Administration. Establishments primarily engaged in providing a range of day-to-day office administrative services, such as financial planning, billing and recordkeeping, personnel, and physical distribution and logistics are classified in Industry 56111, Office Administrative Services.

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